



Footprint Coalition Ventures

Quarterly Newsletter Q2 2021



Contact us: invest@fpcventures.com



Dear Partners,

Greetings and salutations to one and all. After a quarter of accelerated investment research, dealmaking, programming, product development, and teambuilding, we're happy to have this opportunity to update you on where we are and where we're going.

In May we added our fourth team member, FootPrint Coalition's chief editor and venture partner, Jon Shieber. Shieber has joined the Coalition after previously leading the clean tech category at Dow Jones and The Wall Street Journal and at TechCrunch. He brings a wealth of relationships among technology companies, VC investors, and policy makers. Shieber has already kick-started a new robust resource for climate technology news - [Foot.Notes](#) and will be adding more storytelling firepower to the team.

We continue to see very high-quality deal flow and are handpicking the best deals for our fund and investors. Because our allocations to invest in these companies sometimes exceeds our fund's available investment capacity, we recently announced the launch of FootPrint Syndicates. You can read more on that below.

Over this past quarter we've expanded our footprint with more investments in food and agriculture, the future of sustainable mobility, advanced materials, and energy efficiency. Each of these investments was made with an eye toward making the future as considerate to our planet as it is compelling to humanity.

For example, **Whisper Aero** was started by known luminaries in the eVTOL engineering world and is backed by Menlo Ventures and Lux Capital. The company focuses on one of the primary obstacles to the widespread adoption of electric drones, and eVTOLs - noise pollution. Electric flight is anticipated to be a multi-billion-dollar market opening new, energy and infrastructure efficient modes of transport. Whisper Aero promises to be a key supplier to this market.

ClimateAI provides players across the food supply chain with machine learning powered analytics into how specific weather events and climate change more broadly will impact their operations. Climate adaptation is a fast-growing, multi-billion-dollar opportunity and a race to create resilient food supply chains and mitigate shortages.

Sealed extends innovations in home solar finance to now make homes more energy efficient with the installation of energy-saving insulation and HVAC systems. All of this is provided at no upfront cost to homeowners and offers tremendous potential to reduce hundreds of millions of dollars in wasted energy.

Our still-in-stealth mode **materials science company** promises fundamental breakthroughs that could transform energy storage and the industrial, commercial, and transportation markets that are already evolving in the face of expanded electrification.

And, although completed in Q3, we are pleased to announce our investments in two companies addressing the fast-growing market for alternative proteins. **Ynsect** transforms industrial bio-waste into high quality protein for aquaculture, fertilizer and (potentially) food supplements in a massive, fully automated factory. It's the largest insect farm in the world, and the company has pre-sold \$100M in annual revenue output. We were also pleased to join Andreessen Horowitz and Breakthrough Energy Ventures in backing **Nobell Foods**, which has developed a way to use soybeans to grow casein, the animal protein that is cheese. The result is delicious, real (non-vegetable) cheese, made with proteins that can be grown at a massive scale with a much lighter environmental footprint.

Of course, none of this would be possible without you and your continued support. Together we're changing the ways the world works to make a more sustainable future for us all. We remain obliged and humbled by your work with us so that we can all walk a little lighter on the world's stage.

Robert Downey, Jr.

Jonathan Schulhof

Steve Levin





Fund strategy

The climate crisis is far too great a challenge and opportunity to be left to a small number of institutional LPs. Instead, we are looking to mobilize a much broader following that can ignite the tech leaders of tomorrow.

FootPrint Coalition Ventures is a media and investment company that seeks to scale high growth sustainable technology companies. We bring a unique value add approach to our portfolio, with Robert committing his global audience and his creativity to generate enormous awareness to our companies and the issues they address.

With our publishing and community building efforts, we create a passionate following of consumers and investors in areas like alternative proteins, bio-synthetics, and renewables finance. We expand and activate our community across channels like Discovery Network, Netflix, YouTube, Instagram, and LinkedIn.

We use this media value-add to access investments in top-tier venture backed companies, with leading VCs and entrepreneurs inviting us to participate in their cap tables. We then offer our community the opportunity to invest in these companies with us, leveraging our research and portfolio management in funds and syndicates open to everyday people.

Crowdfunding and retail investment platforms have democratized public stock investing and shown us the power of the individual investor. We believe the same can - and needs to - happen for high growth climate tech investments. If you would like to join us and participate in our investments, you can do so in two ways:

Invest in our Rolling Funds

We offer an [early-stage fund](#) for companies under \$5M in revenues, and a [late-stage fund](#) for companies with at least \$5M in revenues. We close a new fund each quarter, with a one-year drawdown period and a 10-year life. Investors in our funds participate in all of our investments during the period of their subscription. Additionally, investors in our rolling funds receive a priority allocation in our Syndicates.

[Join our early-stage fund](#)

[Join our late-stage fund](#)

Back our Syndicate

[Signing up](#) is Free. Once approved, we will notify you about investments that have capacity for co-investment and invite you to join a Syndicate to invest in a particular company. We will share our investment analysis with you so that you can make a timely decision. We will monitor the investment over its life and report regularly on progress at the company.

[Join Our Syndicate](#)

We hope you enjoy reading this investment update and look forward to working together towards building lasting companies for a brighter future.





STEALTH BATTERY TECHNOLOGY COMPANY

The company:

The company is a manufacturer of a new proprietary breakthrough material with applications across energy storage and structural materials.

The team:

The company was founded by material scientists from a leading electronics substrate manufacturer and serial technology entrepreneurs with significant experience selling to the government and automotive sectors.

Why we like it:

The battery market is expected to exceed the \$100 billion mark over the coming years with accelerated growth driven by EV adoption and the need for energy storage to expand renewable energy sources. The current generation of lithium-ion batteries are reaching their limits in both energy density and lifetime.

The company's battery technology has the potential to provide a 3x improvement of battery energy density while increasing a battery's lifetime. The carbon footprint of the company's batteries is well below industry standard modules (e.g., as used by Tesla today) and novel battery technologies such as Quantumscape. Obviating the need for rare earth materials de-risks the company's supply chain and further reduces the environmental footprint of the technology.

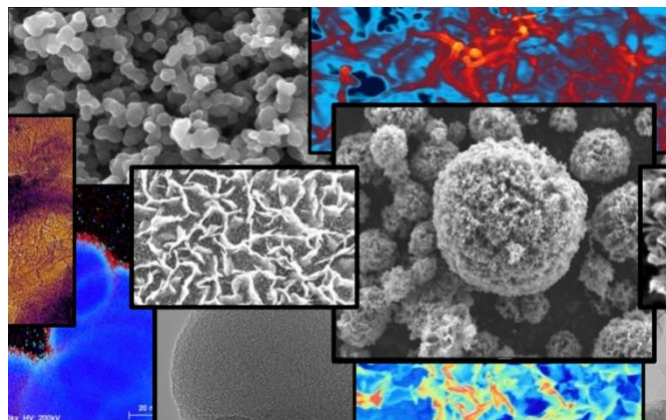
The company's head-start and extensive IP portfolio of over 240 patents - well ahead of competitors - constitute a significant competitive moat.

The company had received over \$200M in funding from angel investors including high-ranking partners at top tier investment firms. From a commercial perspective, the company already has significant traction with and bookings from both OEM and Department of Defense clients.

Deal terms:

FootPrint Coalition Ventures invested out of our early-stage fund as part of a \$10M extension to the company's most recent convertible note of \$150M, which had previously closed in February. We co-invested in this extension alongside AiiM Partners, an early-stage climate fund led by Shally Shanker.

The round was priced at over a 15x discount compared to the stock price of Quantumscape (as of closing), which the company is approaching in terms of scale and maturity. Given the promising technology as well as commercial traction, we believe the company is attractively priced.





Responsible Decisions on a Changing Planet

The company:

ClimateAI seeks to increase climate resilience in supply chains through the most precise medium-to-long term weather forecasting technology and applying machine-learning to generate specific impacts to the client's supply chains.

The team:

The company's co-founders, Himanshu Gupta (CEO) and Max Evans (COO), met at Stanford studying for their MBA & MS in Environmental Sciences degrees. Himanshu spent a decade advising senior political figures like Nicholas Stern, chair of the Center for Climate Change Economics and Policy and was the lead modeler for India's Emissions Pathways project.

Why we like it:

ClimateAI's technology provides increased forecasting accuracy of up to 100% for weather events anytime from two weeks to several years in the future. Beyond the accuracy of its forecasting models, the company provides business intelligence and predictive recommendations on how to respond to future weather conditions.

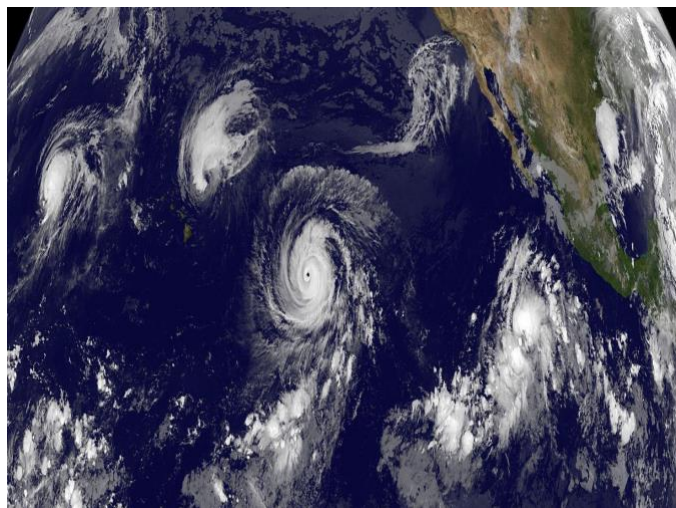
These predictions, from when to plant crops to more accurate yield forecasting, help companies respond to and better plan for extreme weather events that are increasingly the new normal.

In all, ClimateAI estimates applications for its technology could span 23 industrial supply chains worth roughly \$57 billion. The company's first market, global food processing and the financial markets that support it, could yield roughly \$1.9 billion in revenue from some 2,700 potential customers.

Deal terms:

FootPrint Coalition Ventures invested out of our early-stage fund into ClimateAI's \$12 million series A. The round was led by Radical VC, an AI-focused fund, along with participation from Finistere Ventures, a food and ag-focused fund.

The company's post-money valuation represents a 4x forward revenue multiple based on 2022 ARR projections.





Sealed

The company:

Sealed provides upfront financing for energy efficient home improvements as a hook to reel in customers and accelerate the transition to more energy efficient homes.

The company assesses energy savings, finances those home improvements, and coordinates with contractors for their installation. Customers set up a long-term contract with the company at an agreed-on price, and the company pockets the difference between the energy savings and customers' spend.

The team:

Sealed was founded by Lauren Salz (CEO), a former McKinsey analyst, and Andy Frank, a longtime executive in the energy efficiency market whose last company was sold to a now-publicly traded business.

Why we like it:

There are roughly 35 million US homes that could benefit from the type of energy efficient upgrades that Sealed offers to homeowners.

A rough back-of-the-envelope estimate of Sealed's total addressable market - based on the company's average deal size - gives investors \$727B worth of reasons to be intrigued by the deal.

The company first moved to a direct-to-consumer model in 2019 and has seen bookings increase by 4x from 2019 to 2020. Growth in projects signed and installed in Q1 2021 has been similarly encouraging.

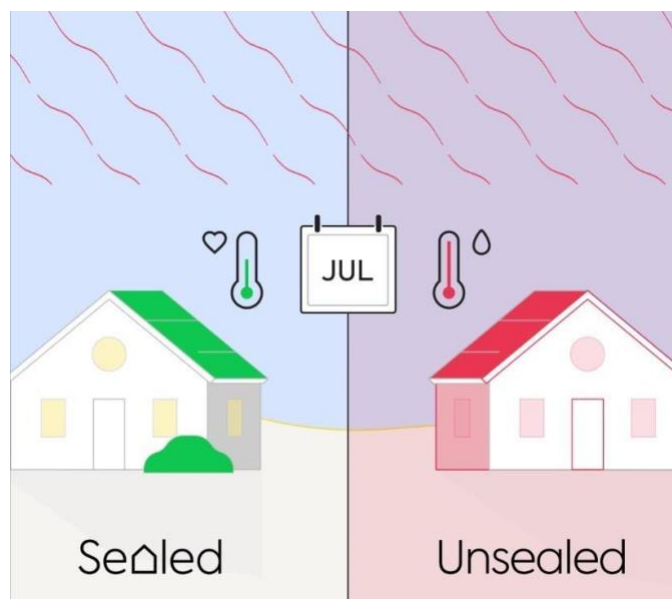
The company could also enjoy major tailwinds from any infrastructure package passed by the Biden Administration, which, even if constrained by moderates in the Senate, could include significant incentives for energy efficient upgrades to homes and buildings.

Insulation and electrification are key drivers of US energy savings, representing an opportunity to reduce energy use by 25% in US homes and save homeowners a large chunk of the \$50 billion wasted on unnecessary energy use.

Deal terms:

FootPrint Coalition Ventures invested out of our late-stage fund as part of a \$15M Series B. We co-invested alongside top funds including Fifth Wall Ventures, CityRock Venture Partners and HL Capital.

The round was priced at around 4x 2021 projected revenue according to the management case or at 6.5x 2021 projected revenue according to our investment base case, which - based on initial Q2 data at the time of closing - the company will comfortably hit. The closest public market comparable can be found in the solar installation space: Sunrun is currently trading at about 10x revenue with significantly lower margins. Given the business model innovation and connections to a firm with deep ties in the real estate community, along with the potential for significant environmental gains, we think this is a highly attractive investment opportunity.





Whisper Aero

The company:

WhisperAero is a seed stage company designing a much quieter and more efficient rotor and propulsion system with applications in aerial transportation and consumer markets.

The team:

The company's all-star founding team hails from Uber Elevate and is led by Mark Moore (CEO), co-founder of and Head of engineering at Uber Elevate and formerly the Chief Technologist for On-Demand Mobility at NASA. WhisperAero's leadership team counts among its ranks several eVTOL experts as well as seasoned aerospace engineers from Northrop Grumman, Lockheed Martin, and the military.

Why we like it:

In addition to the company's ability to capture a good chunk of the \$50 billion market for electric vertical takeoff & landing and business aircraft in the long term, there are near term opportunities to be a parts supplier to the \$26 billion dollar drone market.

WhisperAero's novel rotor design, which essentially makes rotor noise inaudible, has the potential to address one of the big obstacles impeding the growth of the drone and eVTOL markets - noise. Regulations around noise pollution in inhabited areas are already limiting the number of hours drones can fly per day - and could ground nascent eVTOL businesses before they even take off.

With a technical moat developed through patent filing and intellectual property protections, WhisperAero's expected slight price premium to existing products should not inhibit its growth prospects. Rather, given the continuing regulatory pressure, the company has an ability to command premium prices for a product that, to date, has no competition.

Deal terms:

FootPrint Coalition Ventures invested out of our early-stage fund as part of an extension to the \$7.5M SAFE note the company closed on February 1, 2020. The round was led by Menlo Ventures with participation from a range of other top funds including Lux Capital. We consider this investment a first foothold in a company and team with great potential and an opportunity to double down on later.



Get in touch with us!

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Or email us at invest@fpcventures.com.

We hope you can join us!

